

STATEMENT OF CONSIDERATIONS

REQUEST BY ROCKWELL AUTOMATION, INC. FOR AN ADVANCE WAIVER OF PATENT RIGHTS UNDER A LOWER TIER SUBCONTRACT WITH OSHKOSH TRUCK CORPORATION UNDER NREL SUBCONTRACT NO. ZCL-3-32060-03 UNDER DOE CONTRACT NO. DE-AC36-98GO10337; W(A)-03-011; CH-1137

The Petitioner, Rockwell Automation, Inc. (Rockwell), has requested a waiver of domestic and foreign patent rights for all subject inventions arising from its participation under the above referenced subcontract entitled "Advanced Heavy Hybrid Propulsion Systems for Increased Fuel Efficiency and Decreased Emissions." The Petitioner is a lower-tier subcontractor under the referenced NREL subcontract with Oshkosh Truck Corporation, a large business.

Referring to item 2 of Rockwell's waiver petition, the purpose of this subcontract encompasses the development and demonstration of advanced, next generation heavy hybrid truck and bus propulsion technologies and hybrid vehicle systems. The two phase technology development program is intended to design, develop, characterize, and show the feasibility of energy and fuel saving heavy vehicle hybrid propulsion technologies.

The work under the Petitioner's subcontract is expected to take place over a period of three years at a total cost of \$5,058,700. Rockwell is obligated to cost share \$2,529,350, or 50 percent of the total cost of the subcontract.

Referring to items 5 - 9 of Rockwell's waiver petition, Rockwell is a leading developer, manufacturer and supplier of industrial automation and automation solutions which employ electric motors, electronic motor drives, gearing, sensors, programmable logic controllers, networks and communications. This, coupled with Rockwell's cost sharing, clearly demonstrates the likelihood that Rockwell will continue development and commercialization of the results of the subcontract.

This advanced waiver of the Government's rights in inventions is subject to the usual advance patent waiver and background data licensing provisions, and the government license, march-in rights, and preference for U.S. industry provisions set out in 35 U.S.C. 202-204. The advance patent waiver also includes the attached U.S. Competitiveness clause (paragraph t) which requires products embodying any waived invention or produced through the use of any waived invention be manufactured substantially in the United States unless the participant can show to the satisfaction of DOE that it is not commercially feasible to do so. The contractor further agrees to make the above condition binding on any assignee, licensee or other entity acquiring rights to any waived invention, including subsequent assignees or licensees. Should the Contractor or other such entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived intention is suspended until approved in writing by DOE.

Referring to item 10 of the waiver petition, granting this waiver is not anticipated to have any adverse impact on competition. If anything, the technology forming the subject matter of this agreement can be expected to improve U.S. competitiveness relative to off-shore competition.

Considering the foregoing, it is believed that granting this waiver will provide Petitioner with the necessary incentive to invest its resources in the commercialization of the results of the agreement in a fashion which will make the technology available to the public in the shortest practicable time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 10 CFR part 784, all of which have been considered, it is recommended that the requested waiver be granted.


Thomas G. Anderson
Assistant Chief Counsel
Intellectual Property Law Division

Date 8/19/03

Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interest of the United States and the general public will best be served by a waiver of patent rights of the scope described above, and therefore the waiver is granted. This waiver will not apply to any modification or extension of the subcontract, where through such modification or extension, the purpose, scope or cost of the subcontract has been substantially altered.

CONCURRENCE:


Edward J. Wall
Program Manager
Office of Freedom Car
and Vehicle Technologies, EE-2G

Date: 3/24/04

APPROVAL:


for Paul A. Gottlieb
Assistant General Counsel for Technology
Transfer and Intellectual Property, GC-62

Date: 3/31/04

(t) U. S. COMPETITIVENESS

The Contractor agrees that any products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless the Contractor can show to the satisfaction of the DOE that it is not commercially feasible to do so. In the event the DOE agrees to foreign manufacture, there will be a requirement that the Government's support of the technology be recognized in some appropriate manner, e.g., recoupment of the Government's investment, etc. The Contractor agrees that it will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements. Should the Contractor or other such entity receiving rights in the invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by the DOE.

WAIVER ACTION - ABSTRACT

W(A)-03-011 (CH-1137)

REQUESTOR

Rockwell Automation,
Inc.

CONTRACT SCOPE OF WORK

Advanced heavy hybrid propulsion systems
For increased fuel efficiency and decreased
Emissions

RATIONALE FOR DECISION

50 % cost sharing

DISPOSITION